99th Congress, 2d Session - - - - - - - - - - House Document 99-219

SUPPLEMENTAL APPROPRIATIONS REQUESTS FOR FISCAL YEAR 1986 AND AMENDMENTS TO APPROPRIATIONS FOR FISCAL YEAR 1987

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

REQUESTS FOR SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1986 IN THE AMOUNT OF $100,228,000 AND AMENDMENTS TO THE REQUEST FOR APPROPRIATIONS FOR FISCAL YEAR 1987 IN THE AMOUNT OF $4,000,000, PURSUANT TO 31 U.S.C. 1107

MAY 13, 1986.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, May 13, 1986.

The Speaker of the House of Representatives:

SIR: I ask the Congress to consider requests for supplemental appropriations for fiscal year 1986 in the amount of $100,228,000 and amendments to the request for appropriations for fiscal year 1987 in the amount of $4,000,000.

The details of these proposals are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

RONALD REAGAN.

Enclosures.

Estimate No. 09
99th Congress, 2nd Session

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 13, 1986

The President

The White House

Sir:

I have the honor to submit for your consideration requests for supplemental appropriations for fiscal year 1986 in the amount of $100,228,000 and amendments to the request for appropriations for fiscal year 1987 in the amount of $4,000,000.

I have carefully reviewed the proposals contained in this document and am satisfied that these requests are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,

James C. Miller III
Director

Enclosures

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS,
AND OTHER JUDICIAL SERVICES

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-B4	Salaries of judges	$105,000,000	-105,000,000	---
I-B5	Salaries of supporting personnel	534,300,000	-534,300,000	---
I-B7	Expenses of the operation and maintenance of the courts	160,500,000	-160,500,000	---
I-B9	Space and facilities	182,200,000	-182,200,000	---
	(Delete the above four headings and the appropriation language that follows them.)			
I-B4	Salaries and expenses	---	982,000,000	982,000,000
	(Insert the above heading and the appropriation language that follows immediately under "Courts of Appeals, District Courts, and Other Judicial Services":)			
	For the salaries of circuit and district judges (including judges of the			

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
	territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the Claims Court, bankruptcy judges, magistrates, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and all necessary expenses of the courts, including the purchase of firearms and ammunition, $982,000,000, of which not to exceed $168,748,000 shall be available for payment of charges for space and facilities, and not to exceed $8,000,000 shall be available for contractual services and expenses relating to the supervision of drug dependent offenders: Provided, That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney			

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL DEVELOPMENT ASSISTANCE

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-D21	Trade Credit Insurance Program	---	loan guarantees	---
	(Insert the following appropriation language under the above heading:)			
	Trade Credit Insurance Program: During the fiscal year 1987, total commitments to guarantee or insure loans for the "Trade credit insurance program" shall not exceed $300,000,000 of contingent liability for loan principal.			

This proposal would provide a one year extension of the Trade Credit Insurance Program (TCIP). The TCIP was established as a temporary measure to assist in the stabilization of the economics of various Central American nations. Present conditions in these countries require that the program be extended for an additional year. This proposal would not affect outlays.

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
	for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties.			

This proposal would assist the Judiciary in managing the funding reductions required by Public Law 99-177 and would not effect outlays.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF HUMAN DEVELOPMENT SERVICES

Family Social Services

For an additional amount for "Family social services," $100,228,000.

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-K49	Family Social Services (In the appropriation language under the above heading delete the material beginning with "Provided further" and ending with "the second quarter of fiscal year 1985" and insert in lieu thereof the following:) :Provided further, That for purposes of this Act and any other Act appropriating amounts for payment to States under part E of title IV of the Social Security Act for fiscal year 1987, each	$817,837,000	language	$817,837,000

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF HUMAN DEVELOPMENT SERVICES

Family Social Services

(continued)

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
	State's allotment under section 474(b)(3)(A) of that Act for fiscal year 1987 shall be that amount that results when (A) the amount allowed for expenditures in fiscal year 1984 relating to foster care under such part E (including amounts claimed under section 474(c) is adjusted by the inflation factor for fiscal year 1985, (B) the amount determined in clause (A) is adjusted by the inflation factor for fiscal year 1986, and (C) the amount determined in clause (B) is adjusted by the inflation factor for fiscal year 1987, where the 'inflation' for a specified fiscal year means an increase or decrease (as the case may be) of the lesser of five percent			

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF HUMAN DEVELOPMENT SERVICES

Family Social Services

(continued)

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
	or the ratio of (i) the Consumer Price Index prepared by the Department of Labor, and used in determining cost-of-living adjustments under section 215(i), for the second quarter of the preceding fiscal year, (ii) to such Index for the second quarter of the second preceding fiscal year.			

This proposed supplemental would provide funds to pay State claims in the foster care and adoption assistance entitlement programs. This request includes $93 million for foster care prior year claims (claims made by the States and found allowable by the Department of Health and Human Services), $3 million for adoption assistance prior year claims, and $4 million to meet revised estimates of 1986 funding requirements for the Adoption Assistance program. This proposal is included in the fiscal year 1987 Budget as a supplemental proposed for later transmittal to the Congress and would not affect current outlay estimates. The 1987 appropriation language request would provide a technical adjustment to make the language consistent with the foster care legislative proposal pending before the Congress.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE III - CORPORATIONS

FEDERAL HOUSING ADMINISTRATION FUND

During 1986 commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, shall not exceed $80,920,000,000 of loan principal :Provided, That in any fiscal year and notwithstanding any provision of that Act, the Secretary may insure a mortgage under title II of that Act that is secured by a one-to-four-family dwelling, or approve a substitute mortgagor (as defined by the Secretary) with respect to any such mortgage, only if the mortgagor or substitute mortgagor (or if more than one, the mortgagors) and any spouses, have a total annual gross income (as defined by the Secretary) of $40,000 or less. This income limitation shall not apply to mortgages insured under or pursuant to, as appropriate, section 221(h), (i), or (j), section 223(e), or section 235, 243, 247, or 248 of that Act, or to mortgagors that are public entities as provided in section 214 of that Act: Provided further, That the Secretary may insure a mortgage under title II of that Act that is secured by a one-to-four family dwelling, or approve a substitute mortgagor (as defined by the Secretary) with respect to any such mortgage, only if the mortgagor or substitute mortgagor is to occupy the dwelling as his or her principal residence. This occupancy limitation shall not apply to any mortgagor (or co-mortgagor, as appropriate) that is a public entity, as provided in section 214 or 247 of the National Housing Act; a private nonprofit or public entity, as provided in section 221(h) or 235(j) of that Act; an Indian tribe, as provided in section 248 of that Act; or a serviceperson who is unable to meet this requirement because of his or her duty assignment, as provided in section 216, or section 222(b)(4) or (f), of that Act :Provided further, That Section 203(d) of that Act is repealed. Section 221(d)(2)(B)(i)(2) of that Act is amended by inserting "mortgage insurance premium," after "hazard insurance," :Provided further, That all the foregoing provisos

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE III - CORPORATIONS

FEDERAL HOUSING ADMINISTRATION FUND

(continued)

shall apply only with respect to: mortgages insured pursuant to a conditional commitment issued on or after the 45th day after the date that this Act becomes law, or in accordance with the Direct Endorsement program (24 CFR 200.163), where the mortgagee's approved underwriter signs the appraisal report for the property on or after such 45th day; and the approval of substitute mortgagors, where the mortgage of the original mortgagor was subject to all the foregoing provisos.

MANAGEMENT AND ADMINISTRATION

Salaries and Expenses

(Including Transfer of Funds)

For an additional amount for "Salaries and expenses": $10,100,000 to be derived by transfer from the various funds of the Federal Housing Administration.

This proposal would provide the following:

- A $23.5 billion increase in the limitation on mortgage and loan insurance commitment authority. This increase is necessary as a result of the increased demand for this insurance brought about by lower mortgage interest rates.

- A $40 thousand a year cap on the income of families receiving Federal Housing Administration (FHA) insurance in order to direct FHA assistance toward low-and moderate-income families and first-time home buyers.

- Restrict FHA insurance for single family homes to a borrower's principal residence, to eliminate FHA insurance for second homes and investment properties.

- Eliminate the option of financing the FHA up-front premium. This change would tighten the underwriting practices that currently permit the insured mortgage to exceed the value of the property.

This proposal would increase fiscal year 1986 receipts (thus reduce outlays) by $567.1 million.

DEPARTMENT OF STATE

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDRY AND WATER COMMISSION,

UNITED STATES AND MEXICO

Salaries and Expenses

For an additional amount for "Salaries and expenses", $600,000, to be derived by transfer from the appropriation for International Boundary and Water Commission, "Construction" :Provided, That this amount shall be used to reimburse the city of San Diego, California, for expenses incurred in treating domestic sewage received from the city of Tijuana, Mexico.

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-Q12	Salaries and expenses	$10,600,000	language	$10,600,000
	(In the appropriation language under the above heading, immediately following "Secretary of State" insert :Provided further, That such sums as may be necessary are authorized to be transferred to and merged with this appropriation from funds provided for "Construction" in 1987 to reimburse the city of San Diego, California, for expenses incurred in treating domestic sewage received from the city of Tijuana, Mexico.)			

This proposal would provide for the transfer of funds in fiscal year 1986 and 1987 to reimburse the city of San Diego, California, for the use of their waste water treatment facilities to treat domestic sewage coming from Tijuana, Mexico, as provided for in the United States-Mexico Water Treaty of 1944. This proposal would not affect outlays.

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

Research, Engineering and Development
(Airport and Airway Trust Fund)

For an additional amount for "Research, engineering and development (Airport and Airway Trust Fund)", $72,220,000, of which $17,000,000 shall be derived by transfer from the unobligated balance of "Facilities and equipment (Airport and Airway Fund)" and to remain available until September 30, 1989, and of which $55,220,000 shall be derived by transfer from "Facilities and equipment (Airport and Airway Trust Fund)" and to remain available until September 30, 1990.

This proposal would provide funds for high priority changes to the development of the Advanced Automation System (AAS). The AAS is a computer system designed to increase the productivity and safety of the air traffic control system. These funds would be transferred from the "Facilities and equipment" account in the Federal Aviation Administration and would not affect outlays.

DEPARTMENT OF TRANSPORTATION

FEDERAL RAILROAD ADMINISTRATION

Railroad Safety

Under this head in the Department of Transportation and Related Agencies Appropriations Act, 1986, as included in Public Law 99-190, there may be credited to this appropriation funds received from private sources for expenses incurred in the alcohol and drug abuse prevention program.

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-R21	Railroad safety	35,819,000	language	35,819,000
	(In the appropriation language the above heading, after the words "shall remain available until expended" add: There may be credited to this appropriation funds received from private sources for expenses incurred in the alcohol and drug abuse prevention program.)			

This appropriation language would permit revenues for alcohol and drug abuse testing kits to be credited to the Railroad safety account to cover the cost of producing the kits. This proposal would not affect total outlays.

INTERNATIONAL TRADE COMMISSION

1987 Budget Appendix Page	Heading	1987 Request Pending	1987 Proposed Amendment	1987 Revised Request
I-Z55	Salaries and expenses (In the appropriation language under the above heading delete "$29,700,000" and insert in lieu thereof the following:) $33,700,000; of which $4,000,000 shall remain available until expended for expenses related to relocation of the Commission.	$29,700,000	$4,000,000	$33,700,000

This proposal would provide funds for the relocation of the Commission and would increase fiscal year 1987 outlays by $4 million.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATION ACT, 1986

GENERAL PROVISIONS

The Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1986 (Public Law 99-178) is amended to add the following: SEC. 515. Upon enactment of the Compact of Free Association for Palau, amounts available under the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1986 for Federal financial assistance to Palau shall no longer be available.

This language would provide that upon enactment of the Compact of Free Association for Palau, which ends the United States Trusteeship and grants Palau its sovereignty, funds would no longer be available for payment to Palau from the Departments of Education, Health and Human Services, and Labor. The Compact provides for financial assistance from the United States to the government of Palau through the Department of the Interior. This proposal would slightly reduce outlays.

NATIONAL AFRO-AMERICAN HISTORY AND CULTURE COMMISSION

National Center for the Study of Afro-American History and Culture

Funds appropriated for the "National Center for the Study of Afro-American History and Culture" in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1986 shall remain available until expended.

This proposal would extend the availability of funds for the National Center for the Study of Afro-American History and Culture. This proposal would reflect a reduction of $37 thousand in fiscal year 1986 outlays and a corresponding increase in fiscal year 1987.